REMARKS

Rejections under 35 U.S.C. § 101

The Examiner has rejected claims 1-23 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. In particular, the Examiner has stated that no technical art is associated with the claims. The rejection is respectfully traversed. Claims 1 – 23 are directed towards a computer based method for automatically determining taxes. The technical art is found, in part in the computer based implementation of the claims. In addition, the claims of the present application, while directed towards a different invention, seem analogous to the format of the claims recited in Manzi (U.S. Patent No. 6,298,333), which is an issued patent and used as a basis for rejection of the present application. Therefore, the present application is believed to include the requisite technical art needed to overcome a rejection under Section 101. Therefore, claims 1 – 23 are believed to be patentable subject matter, and the rejection is respectfully requested to be withdrawn.

Rejections under 35 U.S.C. § 103

The Examiner has rejected claims 1 - 23 under the obviousness provisions of 35 U.S.C. § 103 as allegedly being unpatentable over U.S. Patent No. 6,067,531 to Hoyt et al. in view of U.S. Patent No. 6,298,333 to Manzi et al.. The rejection is respectfully traversed.

Claim 1 of the present application recites "automatically determining an appropriate set of tax rules to apply as a function of the customer location information", and "determining a contract type based on the contract characteristics under the set of tax rules". The Examiner states that Manzi discloses "determining a contract type based on the contract characteristics under the set of tax rules (col. 4 lines 20 – 38)" [Official Action of 1/30/2004, Page 3, first full paragraph]. However, this referenced passage pertains to automatically calculating "the use tax consequences of any prospective lease when a leasing agent or, in some cases a customer, enters a request for availability 14 of equipment. . . . the system will automatically rank the available equipment which meet the criteria according to the use tax which would be incurred for the proposed lease." [Col. 4, Line 18 – 26] This passage simply discloses that the system will determine the use tax for each available piece of equipment

based on the proposed lease (e.g., the contract characteristics). This passage does not teach or suggest "determining a contract type based on the contract characteristics under the set of tax rules", as recited in Claim 1. Therefore, neither Hoyt or Manzi, alone or combined, teach or suggest all the element of Claim 1. Accordingly, Claim 1, and the associated dependent claims (2 – 23) are believed allowable.

Claim 6 recites the tax rules, claimed in Claim 1, wherein the tax rules include state and local tax rules which include special state and/or local rulings, where the special state and/or local rulings "are a function of a power output of the equipment". The Examiner has rejected this claim in light of Hoyt and Manzi stating: "Re claims 4, 5, 6 and 7, 12 tax authority would inherently include all taxing jurisdictions common to a given area. The tax base is a function of law not invention". The first of the Examiner's sentences appears to refer to Claims 4 and 5, while the later sentence appears to refer to Claim 6 and 7. If this is true, the Examiner is saying (with respect to the limitation that the rulings "are a function of a power output of the equipment") that the "tax base is a function of law not invention". This statement only seems to support the novelty of the claim. The claim recites the ability to determine a tax amount based, in part, on the power output of the equipment. This limitation is not taught or suggested in Hoyt and/or Manzi. In addition, the Examiner seems to indicate that it is indeed novel (and non-obvious). Therefore, Claim 6 is believed allowable. For the same rationale, Claim 7 is also believed to be allowable.

Claim 8 recites the step of "determining a paying party who will pay the tax amount as a function of the set of tax rules", and Claim 9 recites "wherein the paying party is one of a dealer, a financing company, and a customer". The Examiner has stated "the lessor is the paying party" [Official Action, of 1/30/04, Page 3, fifth full paragraph]. However, the Examiner's statement appears to be in conflict with Manzi which suggest the party paying the use tax could be either the customer or the lessor. [Col. 4, Line 29 – 37]. However, even though Manzi suggest the party paying the tax could be either the customer or the lessor, Manzi does not teach or suggest "determining a paying party who will pay the tax amount as a function of the set of tax rules", as recited in Claim 8 of the present application. Therefore, Claim 8 and 9 are believed allowable in light of Manzi and Hoyt, either alone or combined.

Claim 10, as amended, recites "determining how the tax amount is to be paid based on the determined contract type". The Examiner has taken official notice of the known use of installment paying. While installment paying is a known form of paying, it does not teach or suggest "determining how the tax amount is to be paid based upon the determined contract

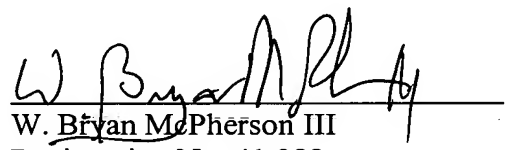
type". Different contract types may require different forms of payment methods. Neither Hoyt or Manzi teach or suggest this limitation. Accordingly Claim 10 is believed allowable.

For the reasons given above, Applicant respectfully submits that the claims, as originally filed and amended above, patentably distinguish Applicant's invention over Hoyt and Manzi, and are in condition for allowance.

Conclusion

All of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections, and that he withdraw them. The Examiner is courteously invited to telephone the undersigned representative if he believes that an interview might be useful for any reason.

Respectfully submitted,



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